

DOWNTOWN REVITALIZATION

City Center Where People Work, Live, and Play

Downtown San José is vital to the City's long term economic and social well-being. Located near the geographic center of the City, Downtown is uniquely accessible via light and heavy rail transit, major freeways, and local streets. The high-rise character of Downtown makes it a landmark for the entire City. The diversity of land uses and architecture establishes it as the most urban of the City's neighborhoods. Downtown is the site of civic events, parades, festivals, and public celebrations.

Once a thriving Downtown, it declined in the 1950s, '60s, and '70s as major retail centers were built outside of the Downtown. These centers drew customers out of Downtown, leading to businesses closing. Following this flight, City Hall was moved a mile north out of the Downtown. By the mid-1970s, citizens had little need to visit Downtown San José.

In 1975, the City Council adopted policies and set in motion the beginning of a revitalization program for Downtown. Downtown revitalization became a major theme for *General Plan '75*, the predecessor to the current *San José 2020 General Plan* (see separate insert). The City Council envisioned a 24-hour Downtown, where people lived, worked, and played. New housing, offices, and cultural venues were planned.

Revitalization hit its greatest momentum in the 1980s and 1990s with the construction of a new convention center, major hotels, new office buildings, refurbished parks, new museums, new housing, a major sports arena, and a new home for the San José Repertory Theatre. Light rail was completed through a Transit Mall in the late 1980s. High technology companies, such as Adobe, have located their headquarters and "campus" in Downtown high rises. Projects continue today with the renovation of historic buildings as cultural venues, the addition of more housing, offices, and hotels. Plans are underway to return City Hall to Downtown, reinforcing its importance as the center of San José.

REDEVELOPMENT AS A KEY REVITALIZATION TOOL

San José's revitalization success comes from the utilization of a technique called redevelopment.

Under California State Law, communities may establish redevelopment areas if certain findings of blight and other conditions are made. Once a redevelopment area is established, the property tax is frozen. As improvements occur and property values increase, the increment above the frozen base becomes the revenue for a community's redevelopment program, typically administered by a redevelopment agency.

San José has many Redevelopment Areas, including several in the Downtown and two key industrial areas. Through a provision in State law that is no longer in effect, San José merged its Redevelopment Areas into one. This allowed for the revenues collected in the industrial areas to be spent on public projects in the Downtown.

DOWNTOWN'S FUTURE

The success of Downtown's revitalization is clearly demonstrated. The public projects have acted as a catalyst, bringing in private office and housing development. While in the 1980's and early 1990's almost all private projects needed some subsidy; now fewer projects need City participation to receive funding. Restaurants, music clubs, and other businesses are well-established in Downtown, adding to the flavor of Downtown.

Other new investments are on the horizon. City Hall will be returning Downtown. Major new transit facilities are funded for construction. The redevelopment agency is working with private developers to create major new mixed use developments to revitalize the retail sector of the Downtown. This approach is based on a recent study completed by the Urban Land Institute.



The success of Downtown's revitalization is clearly demonstrated. The public projects have acted as a catalyst, bringing in private office and housing development.

City of San José, Department of Planning, Building and Code Enforcement

City Hall, Room 400 • 801 North First Street • San José, CA 95110

Tel: 408.277.4576 • Fax: 408.277.3250 • www.ci.san-jose.ca.us/planning

